



## **Development Fees (Commonly Referred to as Impact Fees) Frequently Asked Questions**

**Revised 1/26/21**

**(Red font indicates the revisions made)**

- Q. What is a development fee?
- A. A development fee is a charge assessed against new residential and commercial development. The fee is used to fund improvements necessary because of the new development, such as more parks, streets and public safety services.
- Q. Would remodels, additions, or secondary structures such as detached garages be assessed a development fee?
- A. No. Development fees would only be charged on new homes, offices, industrial buildings, hotels, etc.
- Q. Who pays the development fee?
- A. Although a developer or contractor will pay the development fee at the time a building permit is issued, the development fee will likely be passed on to the buyer of the home or commercial building.
- Q. Does the City currently charge development fees?
- A. Yes. The City currently charges a wastewater development fee. This fee has been in place since December 1, 2005.
- Q. Has the City ever charged other development fees?
- A. Yes. In March 2006, the City Council adopted development fees for general government, police, fire, parks and recreation, transportation, and stormwater. They went into effect on July 1, 2006. In August 2005, the City Council adopted development fees for water, and they went into effect on December 1, 2005.
- Q. How long were those fees charged?
- A. Those fees were charged until December 31, 2011.
- Q. Why did the City stop charging development fees?
- A. On April 6, 2011, Governor Brewer signed Senate Bill 1525. This bill significantly altered the development fee statutes and made them much more complex. The City Council voted to eliminate the fees before they went into effect on January 1, 2012.

- Q. How much were development fees before they were eliminated?  
A. Before they were eliminated, the fees were as follows:

Development Fee Type	Single Family Residence	General Commercial (per sq. ft.)
General Government	\$ 729.00	\$ 0.51
Police	\$ 229.00	\$ 0.17
Fire	\$ 290.00	\$ 0.20
Parks and Recreation	\$ 710.00	\$ -
Streets	\$ 735.00	\$ 4.32
Stormwater	\$ 159.00	\$ 0.08
Water	\$ 1,800.00 <sup>1</sup>	Varies
Wastewater	\$ 1,456.00 <sup>2</sup>	Varies
<b>Total</b>	<b>\$ 6,108.00</b>	

<sup>1</sup> Assumes the installation of a 3/4" meter

<sup>2</sup> Assumes the installation of 16 drainage fixture units

- Q. Why is the wastewater development fee still in place, and how much is it?  
A. Since the wastewater development fees were dedicated to the repayment of debt incurred on the wastewater treatment plant upgrades, the new legislation allowed them to still be collected. The current fee is \$91 per drainage fixture unit.

- Q. How much are the proposed fees that city staff is recommending to the City Council?  
A. The proposed fees are below:

Fee Type <sup>1</sup>	Single Family Residence	General Commercial (per sq. ft.)
Development - Police	\$ 330.00	\$ 0.50
Development - Fire	\$ 711.00	\$ 0.09
Development - Parks & Rec	\$ 1,157.00	\$ 0.16
Development - Streets	\$ 2,096.00	\$ 3.31
Capacity - Wastewater	\$ 3,233.00 <sup>2</sup>	Varies
<b>Total</b>	<b>\$ 7,527.00</b>	

<sup>1</sup> Water meter connection fees are currently being re-evaluated and

<sup>2</sup> Assumes the installation of a 3/4" water meter

- Q. A stakeholder meeting was held on October 7<sup>th</sup>. Will there be any other meetings where the public can provide comments?  
A. Yes. There will be several public hearings held between February and April. Notice of these meetings will be posted on the City's website.
- Q. If the City Council adopts the proposed fees, when will they go into effect?  
A. Under the current timeline, the fees will go into effect on August 3, 2021.